

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE BUSINESS
REGULATION AND ENFORCEMENT DIVISION**

IN THE MATTER OF:

**ALEX EPPS SECURITIES
SHIRLEAN JEFFERSON**

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)**ADMINISTRATIVE
PROCEEDING
NUMBER: 03-068**

Respondents

**SUMMARY CEASE AND DESIST ORDER AND NOTICE OF INTENT TO
IMPOSE ADMINISTRATIVE PENALTY**

I. JURISDICTION

The Business Regulation and Enforcement Division of the Mississippi Secretary of State's Office (hereinafter "Division"), having the authority to administer and to enforce the provisions of the Mississippi Securities Act, Miss. Code Ann. §§75-71-101, to 75-71-735 (2000) (hereinafter "Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offer and sale of securities by the Respondents within the State of Mississippi, hereby issues this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty against Respondents. In support hereof, the Division states the following:

II. FINDINGS OF FACT

1. Respondent Alex Epps Securities (hereinafter "AES") is a corporation organized under the laws of the State of Mississippi whose last known business address is 811 Washington, Greenwood, Mississippi 38930.

2. Respondent Shirlean Jefferson is an adult natural person whose last known address is Route 1, Box 313, Coila, Mississippi 38923, and who directly or indirectly controlled AES, and who was President and Director of AES at all times relevant herein.

3. Analysis of the Division's records reveals that neither AES, nor Shirlean Jefferson are registered to sell securities in the State of Mississippi.

4. The Division's investigations reveal that Shirlean Jefferson has sold, or has attempted to sell, securities as defined by §75-71-401.

III. APPLICABLE LAW

5. With respect to the offer and sale of securities, §75-71-401 of the Act states:

...it is unlawful for any person to offer or sell any security in the State of Mississippi unless (1) it is registered under this chapter or (2) the security or transaction is exempted under Article 3 of this chapter....

6. With respect to issuing securities through agents, §75-71-301 of the Act states:

...it is unlawful for any ... issuer to employ an agent unless the agent is registered... [and] it is unlawful for any person to transact business in this state as a[n] agent unless he is registered under this chapter.

7. §75-71-105(k) of the Act states:

"Person" means an individual,...corporation [or] partnership....

8. §75-71-105(n) of the Act states:

"Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement....

9. §75-71-119 of the Act states:

(a) ...Section ...75-71-401...appl[ies] to persons who sell or offer to sell when (1) an offer to sell is made in this state....

- (b) an offer to sell is made in this state, whether or not either party is then present in this state, when the offer (1) originates from this state or (2) is directed by the offeror to this state...

IV. CONCLUSIONS OF LAW

10. The Secretary of State has jurisdiction of this matter and the parties named herein.

11. Respondents offered to sell securities as that term is defined in the Mississippi Securities Act.

12. Respondents violated Miss. Code Ann. §75-71-301 of the Mississippi Securities Act by transacting business as a broker-dealer or agent in Mississippi without registering as such.

13. Respondents violated Miss. Code Ann. §75-71-401 of the Mississippi Securities Act by offering and selling unregistered securities within the State of Mississippi.

V. ADMINISTRATIVE PENALTY

NOTICE is hereby given that the Secretary of State intends to impose an administrative penalty of up to twenty-five thousand dollars (\$25,000.00) per violation plus all costs and expenses against the Respondents, pursuant to the authority set out in §75-71-715(2) of the Act.

VI. PUBLIC INTEREST

This Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty is issued in the public interest and for the protection of investors consistent with the purposes of this Act.

VII. AMENDMENTS

The Division reserves the right to amend this Summary Cease and Desist Order and Notice of Intent.

VIII. ORDER

IT IS THEREFORE ORDERED, pursuant to the authority set out in §75-71-715(1) of the Act, that Respondents, AES, and Shirlean Jefferson, shall immediately **CEASE AND DESIST** from any further activity in, or originating from, the State of Mississippi in connection with the offer and/or sale of securities to any person without the securities and those offering the securities being duly registered or exempted from registration under the Act.

BE ADVISED THAT, pursuant to §75-71-735 of the Act, a willful violation of this Summary Cease and Desist Order may be punishable upon conviction by a fine of not more than twenty-five thousand dollars (\$25,000) or five (5) years imprisonment, or both in addition to civil and administrative remedies available to the Division.

NOTICE is hereby given that the Respondents shall have thirty (30) days from the date of receipt of this Summary Cease and Desist Order to give written notice requesting a hearing on the matters contained herein to James O. Nelson, II, Assistant Secretary of State, Business Regulation and Enforcement Division, Post Office Box 136, 301 North President Street, Jackson, Mississippi 39205-0136. In the event such a hearing is requested, the Respondents may appear, with or without the assistance of an attorney, on a date and at a time and place to be specified and cross-examine witnesses, present testimony, evidence and argument relating to the matters contained herein. Upon request, subpoenas may be issued for the attendance of witnesses and for the production of books

and papers on the Respondents' behalf at the hearing relating to the matters contained herein. In the event such written notice is not received within said thirty (30) day period of time, a FINAL CEASE AND DESIST ORDER may be entered in this proceeding with no further notice.

ENTERED, this the 7th day of JANUARY, 2003.

ERIC CLARK
Secretary of State

BY: 

James O. Nelson, II
Assistant Secretary of State
Business Regulation and Enforcement

Mailing Address:

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P. O. Box 136
202 North Congress Street
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(601) 359-6366

CERTIFICATE OF SERVICE

I, Nathan Thomas, Senior Attorney, Mississippi Secretary of State's Office, Business Regulation and Enforcement Division, do hereby certify that I have this day mailed, via Certified Mail, postage pre-paid, a true and correct copy of the above and foregoing Summary Cease and Desist Order to the following:

Alex Epps Securities
811 Washington
Greenwood, Mississippi 38930

Shirlean Jefferson
Route 1 Box 313
Coila, Mississippi 38923

This the _____ day of _____, 2003.

Nathan Thomas